

106TH CONGRESS
2D SESSION

S. 3176

To conduct a demonstration program to show that physician shortage, recruitment, and retention problems may be ameliorated in rural States by developing a comprehensive program that will result in statewide physician population growth.

IN THE SENATE OF THE UNITED STATES

OCTOBER 6 (legislative day, SEPTEMBER 22), 2000

Mr. BINGAMAN (for himself, Mr. DOMENICI, and Mr. CONRAD) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To conduct a demonstration program to show that physician shortage, recruitment, and retention problems may be ameliorated in rural States by developing a comprehensive program that will result in statewide physician population growth.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Rural States Physician Recruitment and Retention Dem-
6 onstration Act of 2000”.

1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Rural States Physician Recruitment and Retention Demonstration Program.
- Sec. 4. Establishment of the Health Professions Database.
- Sec. 5. Evaluation and reports.
- Sec. 6. Contracting flexibility.

3 **SEC. 2. DEFINITIONS.**

4 In this Act:

5 (1) COGME.—The term “COGME” means the
 6 Council on Graduate Medical Education established
 7 under section 762 of the Public Health Service Act
 8 (42 U.S.C. 294o).

9 (2) DEMONSTRATION PROGRAM.—The term
 10 “demonstration program” means the Rural States
 11 Physician Recruitment and Retention Demonstration
 12 Program established by the Secretary under section
 13 3(a).

14 (3) DEMONSTRATION STATES.—The term
 15 “demonstration States” means the 2 States selected
 16 by the Secretary that, based upon 1998 data,
 17 have—

18 (A) an uninsured population above 20 per-
 19 cent (as determined by the Bureau of the Cen-
 20 sus);

21 (B) a population eligible for medical assist-
 22 ance under the medicaid program under title

1 XIX of the Social Security Act (42 U.S.C. 1396
2 et seq.) above 17 percent (as determined by the
3 Health Care Financing Administration);

4 (C) an unemployment rate above 4.8 per-
5 cent (as determined by the Bureau of Labor
6 Statistics);

7 (D) an average per capita income below
8 \$21,200 (as determined by the Bureau of Eco-
9 nomic Analysis); and

10 (E) a geographic practice cost indices com-
11 ponent of the reimbursement rate for physicians
12 under the medicare program that is below the
13 national average (as determined by the Health
14 Care Financing Administration).

15 (4) ELIGIBLE RESIDENCY OR FELLOWSHIP
16 GRADUATE.—The term “eligible residency or fellow-
17 ship graduate” means a graduate of an approved
18 medical residency training program (as defined in
19 section 1886(h)(5)(A) of the Social Security Act (42
20 U.S.C. 1395ww(h)(5)(A))) in a shortage physician
21 specialty.

22 (5) HEALTH PROFESSIONS DATABASE.—The
23 term “Health Professions Database” means the
24 database established under section 4(a).

1 (6) MEDICARE PROGRAM.—The term “medicare
2 program” means the health benefits program under
3 title XVIII of the Social Security Act (42 U.S.C.
4 1395 et seq.).

5 (7) MEDPAC.—The term “MedPAC” means
6 the Medicare Payment Advisory Commission estab-
7 lished under section 1805 of the Social Security Act
8 (42 U.S.C. 1395b–6).

9 (8) SECRETARY.—The term “Secretary” means
10 the Secretary of Health and Human Services.

11 (9) SHORTAGE PHYSICIAN SPECIALTIES.—The
12 term “shortage physician specialty” means a medical
13 or surgical specialty identified in a demonstration
14 State by the Secretary based on—

15 (A) an analysis and comparison of Na-
16 tional data and demonstration State data; and

17 (B) recommendations from appropriate
18 Federal, State, and private commissions, cen-
19 ters, councils, medical and surgical physician
20 specialty boards, and medical societies or asso-
21 ciations involved in physician workforce, edu-
22 cation and training, and payment issues.

23 **SEC. 3. RURAL STATES PHYSICIAN RECRUITMENT AND RE-**
24 **TENTION DEMONSTRATION PROGRAM.**

25 (a) ESTABLISHMENT.—

1 (1) IN GENERAL.—The Secretary shall establish
2 a Rural States Physician Recruitment and Retention
3 Demonstration Program for the purpose of amelio-
4 rating physician shortage, recruitment, and retention
5 problems in rural States in accordance with the re-
6 quirements of this section.

7 (2) CONSULTATION.—For purposes of estab-
8 lishing the demonstration program, the Secretary
9 shall consult with—

10 (A) COGME;

11 (B) MedPAC;

12 (C) a representative of each demonstration
13 State medical society or association;

14 (D) the health workforce planning and
15 physician training authority of each demonstra-
16 tion State; and

17 (E) any other entity described in section
18 2(9)(B).

19 (b) DURATION.—The Secretary shall conduct the
20 demonstration program for a period of 10 years.

21 (c) CONDUCT OF PROGRAM.—

22 (1) FUNDING OF ADDITIONAL RESIDENCY AND
23 FELLOWSHIP POSITIONS.—

24 (A) IN GENERAL.—As part of the dem-
25 onstration program, the Secretary (acting

through the Administrator of the Health Care
Financing Administration) shall—

(i) waive any limitation under section
1886 of the Social Security Act (42 U.S.C.
1395ww) with respect to the number of
residency and fellowship positions;

(ii) increase by up to 15 percent of
the total number residency and fellowship
positions approved at each medical resi-
dency training program in each demonstra-
tion State the number of residency and fel-
lowships in each shortage physician spe-
cialty; and

(iii) subject to subparagraph (C), pro-
vide funding for such additional positions
under subsections (d)(5)(B) and (h) of sec-
tion 1886 of the Social Security Act (42
U.S.C. 1395ww).

(B) ESTABLISHMENT OF ADDITIONAL PO-
SITIONS.—

(i) IDENTIFICATION.—The Secretary
shall identify each additional residency and
fellowship position created as a result of
the application of subparagraph (A).

1 (ii) NEGOTIATION AND CONSULTA-
 2 TION.—The Secretary shall negotiate and
 3 consult with representatives of each ap-
 4 proved medical residency training program
 5 in a demonstration State at which a posi-
 6 tion identified under clause (i) is created
 7 for purposes of supporting such position.

8 (C) CONTRACTS WITH RESIDENTS AND
 9 FELLOWS.—

10 (i) IN GENERAL.—The Secretary shall
 11 condition the availability of funding for
 12 each residency and fellowship position
 13 identified under subparagraph (B)(i) on
 14 the execution of a contract containing the
 15 provisions described in clause (ii) by each
 16 individual accepting such a residency or
 17 fellowship position.

18 (ii) PROVISIONS DESCRIBED.—The
 19 provisions described in this clause provide
 20 that, upon completion of the residency or
 21 fellowship, the individual completing such
 22 residency or fellowship will practice in the
 23 demonstration State in which such resi-
 24 dency or fellowship was completed that is
 25 designated by the contract for 1 year for

each year of training under the residency or fellowship in the demonstration State.

(iii) CONSTRUCTION.—The period that the individual practices in the area designated by the contract shall be in addition to any period that such individual practices in an area designated under a contract executed pursuant to paragraph (2)(C).

(D) LIMITATIONS.—

(i) PERIOD OF PAYMENT.—The Secretary may not fund any residency of fellowship position identified under subparagraph (B)(i) for a period of more than 5 years.

(ii) PHASE-OUT OF PROGRAM.—The Secretary may not enter into any contract under subparagraph (C) after the date that is 5 years after the date on which the Secretary establishes the demonstration program.

(2) LOAN REPAYMENT AND FORGIVENESS PROGRAM.—

(A) IN GENERAL.—As part of the demonstration program, the Secretary (acting

1 through the Administrator of Health Resources
 2 and Services Administration) shall establish a
 3 loan repayment and forgiveness program,
 4 through the holder of the loan, under which the
 5 Secretary assumes the obligation to repay a
 6 qualified loan amount for an educational loan of
 7 an eligible residency or fellowship graduate—

8 (i) for which the Secretary has ap-
 9 proved an application submitted under
 10 subparagraph (D); and

11 (ii) with which the Secretary has en-
 12 tered into a contract under subparagraph
 13 (C).

14 (B) QUALIFIED LOAN AMOUNT.—

15 (i) IN GENERAL.—Subject to clause
 16 (ii), the Secretary shall repay not more
 17 than \$25,000 per graduate per year of the
 18 loan obligation on a loan that is out-
 19 standing during the period that the eligible
 20 residency or fellowship graduate practices
 21 in the area designated by the contract en-
 22 tered into under subparagraph (C).

23 (ii) LIMITATION.—The aggregate
 24 amount under this subparagraph shall not
 25 exceed \$125,000 for any graduate and the

1 Secretary may not repay or forgive more
2 than 30 loans per year in each demonstra-
3 tion State under this paragraph.

4 (C) CONTRACTS WITH RESIDENTS AND
5 FELLOWS.—

6 (i) IN GENERAL.—Each eligible resi-
7 dency or fellowship graduate desiring re-
8 payment of a loan under this paragraph
9 shall execute a contract containing the pro-
10 visions described in clause (ii).

11 (ii) PROVISIONS.—The provisions de-
12 scribed in this clause are provisions that
13 require the eligible residency or fellowship
14 graduate to practice in a demonstration
15 State during the period in which a loan is
16 being repaid or forgiven under this section.

17 (D) APPLICATION.—

18 (i) IN GENERAL.—Each eligible resi-
19 dency or fellowship graduate desiring re-
20 payment of a loan under this paragraph
21 shall submit an application to the Sec-
22 retary at such time, in such manner, and
23 accompanied by such information as the
24 Secretary may reasonably require.

1 (ii) PHASE-OUT OF LOAN REPAYMENT
2 AND FORGIVENESS PROGRAM.—The Sec-
3 retary may not accept an application for
4 repayment of any loan under this para-
5 graph after the date that is 5 years after
6 the date on which the demonstration pro-
7 gram is established.

8 (E) CONSTRUCTION.—Nothing in the sec-
9 tion shall be construed to authorize any refund-
10 ing of any repayment of a loan.

11 (F) PREVENTION OF DOUBLE BENE-
12 FITS.—No borrower may, for the same service,
13 receive a benefit under both this paragraph and
14 any loan repayment or forgiveness program
15 under title VII of the Public Health Service Act
16 (42 U.S.C. 292 et seq.).

17 (d) WAIVER OF MEDICARE REQUIREMENTS.—The
18 Secretary is authorized to waive any requirement of the
19 medicare program, or approve equivalent or alternative
20 ways of meeting such a requirement, if such waiver is nec-
21 essary to carry out the demonstration program, including
22 the waiver of any limitation on the amount of payment
23 or number of residents under section 1886 of the Social
24 Security Act (42 U.S.C. 1395ww).

25 (e) APPROPRIATIONS.—

1 (1) FUNDING OF ADDITIONAL RESIDENCY AND
 2 FELLOWSHIP POSITIONS.—Any expenditures result-
 3 ing from the establishment of the funding of addi-
 4 tional residency and fellowship positions under sub-
 5 section (c)(1) shall be made from the Federal Hos-
 6 pital Insurance Trust Fund under section 1817 of
 7 the Social Security Act (42 U.S.C. 1395i).

8 (2) LOAN REPAYMENT AND FORGIVENESS PRO-
 9 GRAM.—There are authorized to be appropriated
 10 such sums as may be necessary to carry out the loan
 11 repayment and forgiveness program established
 12 under subsection (c)(2).

13 **SEC. 4. ESTABLISHMENT OF THE HEALTH PROFESSIONS**
 14 **DATABASE.**

15 (a) ESTABLISHMENT OF THE HEALTH PROFESSIONS
 16 DATABASE.—

17 (1) IN GENERAL.—Not later than 7 months
 18 after the date of enactment of this Act, the Sec-
 19 retary (acting through the Administrator of Health
 20 Resources and Services Administration) shall estab-
 21 lish a State-specific health professions database to
 22 track health professionals in each demonstration
 23 State with respect to specialty certifications, practice
 24 characteristics, professional licensure, practice types,
 25 locations, education, training, as well as obligations

1 under the demonstration program as a result of the
2 execution of a contract under paragraph (1)(C) or
3 (2)(C) of section 3(c).

4 (2) DATA SOURCES.—In establishing the
5 Health Professions Database, the Secretary shall use
6 the latest available data from existing health work-
7 force files, including the AMA Master File, State
8 databases, specialty medical society data sources and
9 information, and such other data points as may be
10 recommended by COGME, MedPAC, the National
11 Center for Workforce Information and Analysis, or
12 the medical society of the respective demonstration
13 State.

14 (b) AVAILABILITY.—

15 (1) DURING THE PROGRAM.—During the dem-
16 onstration program, data from the Health Profes-
17 sions Database shall be made available to the Sec-
18 retary, each demonstration State, and the public for
19 the purposes of—

20 (A) developing a baseline and to track
21 changes in a demonstration State's health pro-
22 fessions workforce;

23 (B) tracking direct and indirect graduate
24 medical education payments to hospitals;

1 (C) tracking the forgiveness and repay-
2 ment of loans for educating physicians; and

3 (D) tracking commitments by physicians
4 under the demonstration program.

5 (2) FOLLOWING THE PROGRAM.—Following the
6 termination of the demonstration program, a dem-
7 onstration State may elect to maintain the Health
8 Professions Database for such State at its expense.

9 (c) AUTHORIZATION OF APPROPRIATIONS.—There
10 are authorized to be appropriated such sums as may be
11 necessary for the purpose of carrying out this section.

12 **SEC. 5. EVALUATION AND REPORTS.**

13 (a) EVALUATION.—

14 (1) IN GENERAL.—COGME and MedPAC shall
15 jointly conduct a comprehensive evaluation of the
16 demonstration program established under section 3.

17 (2) MATTERS EVALUATED.—The evaluation
18 conducted under paragraph (1) shall include an
19 analysis of the effectiveness of the funding of addi-
20 tional residency and fellowship positions and the
21 loan repayment and forgiveness program on physi-
22 cian recruitment, retention, and specialty mix in
23 each demonstration State.

24 (b) PROGRESS REPORTS.—

1 (1) COGME.—COGME shall submit a report
2 on the progress of the demonstration program to the
3 Secretary and Congress 1 year after the date on
4 which the Secretary establishes the demonstration
5 program, 5 years after such date, and 10 years after
6 such date.

7 (2) MEDPAC.—MedPAC shall submit biennial
8 reports on the progress of the demonstration pro-
9 gram to the Secretary and Congress.

10 (c) FINAL REPORT.—Not later than 1 year after the
11 date on which the demonstration program terminates,
12 COGME and MedPAC shall submit a final report to the
13 President, Congress, and the Secretary which shall contain
14 a detailed statement of the findings and conclusions of
15 COGME and MedPAC, together with such recommenda-
16 tions for such legislation and administrative actions as
17 COGME and MedPAC consider appropriate.

18 (d) AUTHORIZATION OF APPROPRIATIONS.—There
19 are authorized to be appropriated to COGME such sums
20 as may be necessary for the purpose of carrying out this
21 section.

22 **SEC. 6. CONTRACTING FLEXIBILITY.**

23 For purposes of conducting the demonstration pro-
24 gram and establishing and administering the Health Pro-
25 fessions Database, the Secretary may procure temporary

- 1 and intermittent services under section 3109(b) of title 5,
- 2 United States Code.

